

# ACCOUNTING PRINCIPLES

The AP discussed in this section are outlined in abbreviated form. The full text of the AP and their annexes may be viewed at SERV upon request.

## Introduction

The accounting and valuation principles (AP) define the accounting principles for SERV and are determined by the Board of Directors (BoD). In addition to editorial changes in the AP, the rules applicable since 31 March 2021 regarding the consideration of reinsurance and the management of exchange rate risks (surcharge for foreign currencies in the core capital [CCap]) were incorporated in the year under review.

The AP follow national and international standards for rendering accounts and are based on the practices of the Swiss private insurance industry. The balance sheet of SERV reflects the actual financial and asset situation as accurately as possible. The principle of individual valuation applies: over- and under-valuations are not set off against each other. All items have been reviewed to verify their accounting suitability and accuracy. The economic perspective takes priority over other possible points of view.

Balance sheet items are measured at face value with the exception of the items listed below:

## Claims from Losses and Restructuring

Accounting: Claims from the insurance business are recorded if a policyholder is indemnified for a loss by SERV and its claim against third parties passes to SERV.

Valuation of claims against public debtors: Value adjustments are calculated on the basis of the official OECD provision rates for expected and actual losses. These rates take into account:

- the country risk at the time of valuation,
- a country's income levels (World Bank classification),
- the classification of a country as a "heavily indebted poor country".

In addition, a collateral surcharge is applied to the value adjustments.

Valuation of claims against private debtors: Individual valuations are carried out on a case-by-case basis for claims against private debtors. Depending on the transaction, arrangements of the export agreement and court rulings, even transactions with identical features (same country, same industry) can lead to different expectations of recoveries. The following criteria are taken into consideration in the valuation as decisive factors that reduce or increase the recoveries in the case of claims against private debtors:

- type of collateral,
- World Bank Rule of Law Index,

- type of security,
- OECD country risk category (CRC),
- number of missed payments,
- probability of restructuring,
- trend in local currency valuation,
- debtor rating prior to incurrence of loss,
- payment transferability and convertibility,
- societal stability in the respective location.

Based on these valuation criteria, the value adjustment percentages for claims against private debtors are determined by means of a decision tree.

### **Credit Balances from Debt Rescheduling Agreements**

Accounting: Credit balances from debt rescheduling are bundled, meaning several claims of SERV against particular individual countries are consolidated. These credit balances arise after a debtor country has readjusted open items in the Paris Club with a debt rescheduling agreement. Claims from debt rescheduling agreements are denominated in CHF.

Valuation and value adjustments: Value adjustments are calculated on the basis of the official OECD provision rates for expected and actual losses.

### **Unearned Premiums**

Accounting: Unearned premiums are accruals and deferrals; they are premiums that were received in the year under review and in previous years, but which are only earned during the risk period.

Valuation: 20 per cent of premiums are recorded immediately as earned premiums for the administrative share in the current financial year. The remaining 80 per cent of premiums are recorded as income according to the amount of commitment in accordance with risk distribution over the contract term of the individual transactions. In the event of a loss, the portion of the premium that has not yet been charged is realised immediately. Consequently, the unearned premium is reversed.

### **Loss Provisions according to IBNR**

Accounting: IBNR provisions (IBNR = incurred but not reported) are provisions for losses that have already occurred but have not yet been reported.

Valuation of flat-rate IBNR provisions: A premium-based model is used for the calculation of the flat-rate IBNR provisions. The flat-rate IBNR provisions are recognised as a proportion of the released unearned premiums. Valuation of case-by-case IBNR provisions: Formation on a case-by-case basis. This is done in cases where a loss has not yet been reported but payment is in arrears past the waiting period. Similar but simplified rules are applied for the valuation of reported losses.

## Provisions for Reported Losses

Accounting: On receipt of the loss form, SERV immediately recognises a provision in the amount of the probable loss.

Valuation for public debtors: Provisions are calculated on the basis of the official OECD provision rates for expected and actual losses. Because precise assessment of the occurrence probability is hardly possible, a probability of 50 per cent is calculated. As in the case of claims from losses and restructuring, an additional collateral surcharge is also applied here.

Valuation for private debtors: The same method is used as for valuing claims against private debtors.

## Capital

Accounting: In terms of SERV's rendering of accounts, the capital is the residual factor after the accounting and valuation of the other items. It is subdivided into:

- Risk-bearing capital (RBC): The RBC is held back for insurance losses that may be payable by SERV. In accordance with the SERV Ordinance (SERV-V), provisions for losses not yet incurred must be shown as net equity items.
- Core capital (CCap): An extended risk buffer calculated on the basis of the assumption that the elements to be valued of all concluded and new insurance contracts expected as per growth projections, as well as the balance sheet items "claims from losses and restructuring" and "credit balances from debt rescheduling agreements", will deteriorate by one grade on the internal rating scale.
- Compensation reserve (CR): Balance sheet item that, together with the RBC, CCap and net income (NI), yields SERV capital.
- Net income.

Valuation: The RBC is determined using an actuarial model, taking into account all assets at risk of loss, as the so-called 99.9 per cent quantile of the annual loss distribution. The particular value at risk is calculated with a confidence factor of 99.9 per cent. The CCap is calculated on the basis of the assumption that the elements to be valued of all concluded and new insurance contracts expected as per growth projections, as well as other relevant balance sheet items, will deteriorate by one grade on the internal rating scale. The calculations are made using the same actuarial model as for the calculation of the RBC. The CR is determined arithmetically and is not subject to any valuation.

## Economic Viability

Calculation: The average expected annual loss is the theoretical average potential loss, weighted for one year with the probabilities of default. This calculation is based on ratings, default probabilities and assumed recovery rates. The other items in the proof of economic viability are obtained from the income statement.

# NOTES ON THE FINANCIAL STATEMENTS

Individual items of the income statement, the balance sheet and segment accounting are explained in more detail in this chapter. Firstly, items shown net in the financial statements are broken down to rend the calculation of net results transparently. This is significant particularly in the case of claims from losses, claims from restructuring, credit balances from debt rescheduling agreements and loss provisions, as these are valued in accordance with the accounting principles (AP) and reported on a net basis. Additionally, the allocation formula used in the segment accounting for those items that are not directly assignable to one of the three segments is made transparent. In the balance sheet by segment, there is no breakdown by the three segments of cash in hand & at bank, cash investments, current liabilities, short-term liabilities and capital. Doing so would not yield meaningful information. The comments are numbered according to the numbers in the Financial Statements.

## Regarding the Income Statement

[1] On “Premium income”: The item “Premium income” amounting to CHF 83.5 million is comprised of income from insurance premiums in the sum of CHF 38.6 million and premium income from reinsurance totalling CHF 44.9 million.

[2] On “Loss expenses”: The negative loss expenses (income) of CHF 5.9 million comprise the reversal of provisions for incurred but not reported (IBNR) cases amounting to CHF –22.5 million, the reversal of provisions for reported losses totalling CHF –69.5 million, and the change in value adjustments on claims of CHF 41.0 million (cf. Loss Expenses by Segment, p. 60). Losses amounting to CHF 44.7 million were definitively written off in 2021. The losses written off related to risks in Azerbaijan, Brazil, Georgia, India, Russia, Spain and Switzerland. The CHF 0.4 million under other loss expenses includes costs for recovery measures.

[3] On “Debt rescheduling income”: Debt rescheduling income amounting to CHF 11.7 million is reported net. This item consists of the reversal of value adjustments on debt rescheduling balances amounting to CHF 11.8 million and the writing-off of credit balances against debtor countries totalling CHF –0.1 million (cf. Debt Rescheduling Results by Segment, p. 60).

[4] On “Other income”: The CHF 3.9 million in other income originates from the capitalisation of the project costs (personnel and non-personnel expenses) for the Transformation SERV (TRS) project.

### Regarding the Balance Sheet

[5] On “Short-term cash investments”: All cash investments are held with the Swiss Confederation in the form of an investment account.

[6] On “Intangible assets”: The CHF 5.4 million under intangible assets originates from the capitalisation of the project costs (personnel and non-personnel expenses) of the Transformation SERV (TRS) project.

[7] On “Claims from losses and restructuring”: SERV’s claims from losses and the claims from restructuring with public debtors (cf. Claims from restructuring with public debtors (with value adjustment) p. 57) were valued in accordance with the AP (cf. Accounting Principles, p. 51) and were then reported as net claims. In the year under review, claims from losses increased by CHF 6.4 million. The claims paid related to Argentina, Azerbaijan, Bangladesh, Brazil, China, Cuba, the Dominican Republic, Egypt, India, Indonesia, Italy, Mexico, Nigeria, Pakistan, Panama, Russia, Switzerland, Turkey, the United Arab Emirates and Zambia.

[8] On “Credit balances from debt rescheduling agreements”: The credit balances from debt rescheduling agreements (cf. Credit balances from debt rescheduling agreements (with value adjustment), p. 59) were reported as net credit balances. The largest movements occurred in Serbia (reduction of CHF 9.9 million) and Bosnia and Herzegovina (reduction of CHF 0.8 million).

[9] On “Loss provisions”: SERV recognised IBNR provisions for losses amounting to CHF 49.8 million and provisions for reported losses of CHF 92.8 million (cf. Accounting Principles, p. 51). Loss provisions totalled CHF 142.6 million.

[10] On “Other long-term liabilities”: This involves a cash deposit made by an exporter that was paid due to a changed risk situation in connection with ongoing counter guarantees. This cash deposit is reduced by the same ratio as SERV’s risk decreased by means of a reduction of the counter guarantee.

### Regarding the Cash Flow Statement

[11] On “Premium payments”: Premium payments totalling CHF 116.7 million were made. In addition to the premiums invoiced in the 2021 financial year, this also settled the outstanding receivables from previous financial years.

### Regarding Income Statement by Segment

[12] On “Premium income”: Premium income was directly allocated to segments. Premium income per segment is shown in the table on page 60.

[13] On “Interest income from debt rescheduling agreements” – allocation formula: Interest income from debt rescheduling agreements was distributed to the individual segments in proportion to debt servicing (agreed principal and interest repayments) for each country.

[14] On “Loss expenses”: Loss expenses were allocated directly to the segments. The table on page 60 shows loss expenses incurred per segment.

[15] On “Debt rescheduling results”: Debt rescheduling results were allocated directly to the segments. The table on page 60 shows debt rescheduling results incurred per segment.

[16] On “Personnel expenses” – allocation formula: Personnel expenses were allocated to individual segments according to the number of new contracts per debtor category, less contracts with a duration of less than one year but including cover for secondary risks and the adjusted number of new contracts in multi-buyer insurance on the basis of the actual expenses incurred.

[17] On “Non-personnel expenses” – allocation formula: Non-personnel expenses were allocated to individual segments analogously to the allocation of personnel expenses.

[18] On “Financial income” – allocation formula: Financial income was allocated to individual segments as a proportion of the income generated per segment from insurance and expense premiums in the year under review (cf. comment 12, p. 55).

### **Regarding the Balance Sheet by Segment**

[19] On “Loss provisions”: The loss provisions per segment are shown in the table “Loss Provisions by Segment” on page 60.

## Development of Property, Plant and Equipment & Intangible Assets

in KCHF

	Property, plant and equipment		Intangible assets	
	2021	2020	2021	2020
<b>Acquisition costs</b>				
Value as at 1 January	2 653	1 874	3 309	20
Additions	416	877	3 907	3 289
Disposals	- 110	- 98	-	-
Other changes, transfers	-	-	-	-
<b>Value as at 31 December</b>	<b>2 959</b>	<b>2 653</b>	<b>7 216</b>	<b>3 309</b>
<b>Cumulative depreciation</b>				
Value as at 1 January	2 239	1 743	20	20
Additions	307	592	-	-
Disposals	- 106	- 96	-	-
impairment	-	-	1 845	-
<b>Value as at 31 December</b>	<b>2 440</b>	<b>2 239</b>	<b>1 865</b>	<b>20</b>
<b>Book value as at 31 December</b>	<b>519</b>	<b>414</b>	<b>5 351</b>	<b>3 289</b>

## Claims from Losses and Restructuring (with value adjustment)

in CHF million

	31.12.2021			31.12.2020			Change (7)=(3)-(6)
	SERV claims (1)	Value adjustment (2)	Net claims (3)=(1)+(2)	SERV claims (4)	Value adjustment (5)	Net claims (6)=(4)+(5)	
<b>Value adjustment on claims from losses</b>							
Saudi Arabia	128.4	- 64.2	64.2	128.4	- 64.2	64.2	-
Switzerland	102.8	- 75.7	27.1	89.8	- 54.6	35.2	- 8.1
Turkey	55.2	- 29.4	25.8	10.6	- 6.4	4.2	21.6
Cuba	47.7	- 32.0	15.7	44.4	- 29.4	15.0	0.7
Greece	50.7	- 44.3	6.4	50.7	- 40.1	10.6	- 4.2
India	43.0	- 23.0	20.0	43.1	- 21.9	21.2	- 1.2
Zimbabwe	37.4	- 23.4	14.0	37.4	- 23.4	14.0	-
Russia	16.1	- 13.7	2.4	15.9	- 13.9	2.0	0.4
Zambia	15.3	- 11.8	3.5	5.5	- 4.1	1.4	2.1
Brazil	14.6	- 9.9	4.7	20.6	- 12.3	8.3	- 3.6
Other countries	32.3	- 32.3	-	54.9	- 53.6	1.3	- 1.3
	<b>543.5</b>	<b>- 359.7</b>	<b>183.8</b>	<b>501.3</b>	<b>- 323.9</b>	<b>177.4</b>	<b>6.4</b>
<b>Claims from restructuring with public debtors (with value adjustment)</b>							
North Korea	188.9	- 170.0	18.9	188.9	- 170.0	18.9	-
	<b>188.9</b>	<b>- 170.0</b>	<b>18.9</b>	<b>188.9</b>	<b>- 170.0</b>	<b>18.9</b>	<b>-</b>
<b>Total claim from losses and restructuring</b>			<b>202.7</b>			<b>196.3</b>	<b>6.4</b>

**Value Adjustment on Claims from Losses and Restructuring**

in CHF million

	31.12.2021					31.12.2020					Change
	Total claims	Share 3rd parties*	SERV			Total claims	Share 3rd parties*	SERV			
			Share	Value adjustment	Net claims			Share	Value adjustment	Net claims	
(1)	(2)	(3)=(1)-(2)	(4)	(5)=(3)+(4)	(6)	(7)	(8)=(6)-(7)	(9)	(10)=(8)+(9)	(11)=(5)-(10)	
North Korea	216.3	27.4	188.9	- 170.0	18.9	216.3	27.4	188.9	- 170.0	18.9	-
<b>Total</b>	<b>216.3</b>	<b>27.4</b>	<b>188.9</b>	<b>- 170.0</b>	<b>18.9</b>	<b>216.3</b>	<b>27.4</b>	<b>188.9</b>	<b>- 170.0</b>	<b>18.9</b>	<b>-</b>

\* policyholders or assignees



**Credit Balances from Debt Rescheduling Agreements (with value adjustment)**

in CHF million

	31.12.2021						31.12.2020						Change	
	Total credit balance	Share Confederation	Share 3rd parties	SERV			Total credit balance	Share Confederation	Share 3rd parties	SERV				Net credit balance
				Share	Value adjustment	Net credit balance				Share	Value adjustment	Net credit balance		
				(4)= (1)-(2)-(3)	(5)	(6)=(4)+(5)				(7)-(8)-(9)	(11)	(12)= (10)+(11)		
(1)	(2)	(3)	(4)= (1)-(2)-(3)	(5)	(6)=(4)+(5)	(7)	(8)	(9)	(10)= (7)-(8)-(9)	(11)	(12)= (10)+(11)	(13)=(6)-(12)		
Sudan	144.9	91.7	-	53.2	-47.9	5.3	144.9	91.7	-	53.2	-47.9	5.3	-	
Cuba	116.4	-	30.2	86.2	-64.4	21.8	115.8	-	30.1	85.7	-64.4	21.3	0.5	
Argentina	102.7	-	19.9	82.8	-24.8	58.0	102.7	-	19.9	82.8	-24.8	58.0	-	
Pakistan	72.2	3.2	3.8	65.2	-63.9	1.3	71.5	3.2	3.7	64.6	-63.9	0.7	0.6	
Serbia	42.4	-	11.3	31.1	-4.6	26.5	55.7	-	14.8	40.9	-4.5	36.4	-9.9	
Iraq	28.0	-	8.8	19.2	-19.1	0.1	32.7	-	11.1	21.6	-21.5	0.1	-	
Bosnia and Herzegovina	21.0	-	5.2	15.8	-11.2	4.6	22.1	-	5.5	16.6	-11.2	5.4	-0.8	
Honduras	1.7	-	0.1	1.6	-1.3	0.3	1.8	-	0.1	1.7	-1.3	0.4	-0.1	
Cameroon	1.5	-	0.2	1.3	-1.3	-	1.5	-	0.2	1.3	-1.3	-	-	
Indonesia	0.9	0.9	-	-	-	-	10.4	1.4	0.9	8.1	-8.1	-	-	
Montenegro	0.8	-	0.2	0.6	-0.4	0.2	1.0	-	0.2	0.8	-0.4	0.4	-0.2	
Bangladesh	0.5	0.1	-	0.4	-0.4	-	0.7	0.1	-	0.6	-0.6	-	-	
Egypt	-	-	-	-	-	-	1.9	-	0.3	1.6	-1.2	0.4	-0.4	
<b>Total credit balances from debt rescheduling agreements</b>	<b>533.0</b>	<b>95.9</b>	<b>79.7</b>	<b>357.4</b>	<b>-239.3</b>	<b>118.1</b>	<b>562.7</b>	<b>96.4</b>	<b>86.8</b>	<b>379.5</b>	<b>-251.1</b>	<b>128.4</b>	<b>-10.3</b>	

## Premium Income by Segment

01.01.2021–31.12.2021, in KCHF

	Segments (by debtor)			SERV
	Public (1)	Private without del credere (2)	Private with del credere (3)	(4)=(1)+(2)+(3)
Premium income from insurance premiums	3 016	2 883	32 654	38 553
Premium income from expense premiums (e.g. review premiums)	–	19	19	38
Premiums from reinsurance	44 875	1	2	44 878
Premiums for reinsurance	–	–	20	20
<b>Total premium income</b>	<b>47 891</b>	<b>2 903</b>	<b>32 695</b>	<b>83 489</b>

## Loss Expenses by Segment

01.01.2021–31.12.2021, in KCHF

	Segments (by debtor)			SERV
	Public (1)	Private without del credere (2)	Private with del credere (3)	(4)=(1)+(2)+(3)
Provision for losses IBNR	– 2 324	1 219	23 581	22 476
Provision for reported losses	17 440	–	52 087	69 527
Change in value adjustments	– 7 949	10 601	– 43 631	– 40 979
Definitive loss write-offs	–	– 11 681	– 33 056	– 44 737
Other loss expenses	–	–	– 350	– 350
<b>Total loss expenses</b>	<b>7 167</b>	<b>139</b>	<b>– 1 369</b>	<b>5 937</b>

## Debt Rescheduling Results by Segment

01.01.2021–31.12.2021, in KCHF

	Segments (by debtor)			SERV
	Public (1)	Private without del credere (2)	Private with del credere (3)	(4)=(1)+(2)+(3)
Transfers of capital or interest to new or different agreements	–	–	–	–
Change in value adjustments	8 960	1 999	869	11 828
Write-offs of credit balances against debtor countries	– 150	2	–	– 148
<b>Total debt rescheduling results</b>	<b>8 810</b>	<b>2 001</b>	<b>869</b>	<b>11 680</b>

## Loss Provisions by Segment

31.12.2021, in CHF

	Segments (by debtor)			SERV
	Public (1)	Private without del credere (2)	Private with del credere (3)	(4)=(1)+(2)+(3)
IBNR	8 265	39	41 506	49 810
Reported losses	57 241	–	35 532	92 773
<b>Loss provisions</b>	<b>65 506</b>	<b>39</b>	<b>77 038</b>	<b>142 583</b>

# PROOF OF CAPITAL

As of 31 December 2021, SERV held capital of CHF 2.832 billion, CHF 88.1 million more than the previous year.

Risk-bearing capital (RBC) and core capital (CCap) together totalled CHF 1.625 billion at the end of 2021, CHF 106.5 million higher than the previous year. This change lies within the usual range of fluctuations arising from changes in exposure, OECD country risk categories (CRCs) and default probabilities and foreign currency effects. The compensation reserve (CR) is a net balance sheet item and amounted to CHF 1.119 billion at the end of 2021. This represents a decrease of CHF 188.1 million compared to the previous year (including CHF –81.5 million in allocated net income (NI) from the 2020 financial year). The CR provides SERV with leeway for additional cover and allows it to manage the major volatility it is exposed to through country downgrades due to political and economic crises (increased demand for RBC, CCap or value adjustments on debt rescheduling balances) and through elevated losses. This allows SERV to provide the Swiss export industry with effective support even in difficult times.

If the capital as at 31 December 2020 had been calculated on the basis of the method employed since 31 March 2021 (cf. Financial Report, Balance Sheet, pp. 42), the figures reported as at 31 December 2020 would have been as follows: RBC of CHF 999.1 million (up by CHF 0.1 million) and CCap of CHF 568.9 million (up by CHF 49.1 million).

## Proof of Capital

31.12.2021, in KCHF

	31.12.2020	Allocation net income previous year	Net income in 2021	Shifts	31.12.2021
	(1)	(2)	(3)	(4)	(5)= (1)+(2)+(3)+(4)
Risk-bearing capital (RBC)	999 023			60 463	1 059 486
Core capital (CCap)	519 782			46 092	565 874
Compensation reserve (CR)	1 306 940	– 81 528		– 106 555	1 118 857
Net income (NI)	– 81 528	81 528	88 052		88 052
<b>Capital</b>	<b>2 744 217</b>	<b>–</b>	<b>88 052</b>	<b>–</b>	<b>2 832 269</b>

# OTHER NOTES

## Legal Form and Registered Office

SERV is an institution under public law with the status of an independent legal entity under the Swiss Confederation. Its tasks and services as well as the basic features of its organisation are laid down in the Swiss Export Risk Insurance Act of 16 December 2005 (SERVG) SR 946.10 (as of 1 January 2016). SERV is independent in its organisation and management and conducts its own accounts (Art. 3 SERVG).

SERV's registered office is at Genferstrasse 6 in Zurich. It has an office at Avenue d'Ouchy 47 in Lausanne. An employee based at that location provides support for customers in French-speaking Switzerland.

## Significant Events after the Balance Sheet Date

From 31 December 2021 to 23 February 2022, no events occurred that would have resulted in an adjustment of the book values of assets and liabilities or that would have to be disclosed here.

## Auditors

In 2021, the auditors received a fee (excl. VAT) of KCHF 66.6 (previous year: KCHF 66.6) for auditing the 2021 financial statements. Apart from this, the auditors received no other remuneration.

## Reporting to the Confederation

SERV is subject to the supervision of the Federal Council and, ultimately, of Parliament (cf. Art. 32 SERVG). The Federal Council defines SERV's strategic goals for four years at a time and reviews them periodically. SERV regularly updates the Federal Council on the achievement of its objectives and on its business results. In addition, it provides information on its business results to the sub-committees of the Finance Committees each year and to the sub-committees of the Control Committees of the National Council and Council of States every four years.

The electronic version of the current annual report can be found at [report.serv-ch.com](https://report.serv-ch.com).



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## **Report of the Statutory Auditor to the Federal Council**

### **Report of the Statutory Auditor on the Financial Statements**

As statutory auditor, we have audited the financial statements on pages 45 to 62 of Swiss Export Risk Insurance, which comprise the income statement, balance sheet, cash flow statement, proof of economic viability, segment accounting and notes for the year ended 31 December 2021.

#### **Board of Directors' Responsibility**

The board of directors is responsible for the preparation of the financial statements and the proof of economic viability in accordance with the requirements of Swiss law and the accounting principles set out in the notes. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The board of directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements and the proof of economic viability based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the proof of economic viability. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements and the proof of economic viability. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Opinion**

In our opinion, the financial statements and the proof of economic viability for the year ended 31 December 2021 comply with the accounting principles set out in the notes.



**Swiss Export Risk Insurance, Zurich**  
Report of the Statutory Auditor on the Financial Statements  
to the Federal Council

### **Report on Other Legal Requirements**

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 CO) and that there are no circumstances incompatible with our independence.

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the board of directors.

We recommend that the financial statements and the proof of economic viability submitted to you be approved.

KPMG AG

A handwritten signature in black ink, appearing to read 'Oliver Windhör', written in a cursive style.

Oliver Windhör  
Licensed Audit Expert  
Auditor in Charge

A handwritten signature in black ink, appearing to read 'Patrick Scholz', written in a cursive style.

Patrick Scholz  
Licensed Audit Expert

Zurich, 23 February 2022